



PSC NEWS

Missouri Public Service Commission

Contact: Kevin Kelly

Phone: (573) 751-9300

Governor Office Building, Suite 900

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PSC TO HOLD ON-THE-RECORD PRESENTATION IN AQUILA ELECTRIC AND STEAM RATE CASES

Jefferson City (March 26, 2004)---The Missouri Public Service Commission will hold an on-the-record presentation starting at 10:00 am on Monday, **April 5, 2004**, to receive additional information from various parties regarding a proposed agreement in electric and steam rate cases filed by Aquila, Inc. d/b/a Aquila Networks-L&P and Aquila Networks-MPS.

The on-the-record presentation will be held in Room 310 of the Governor Office Building, 200 Madison Street, in Jefferson City. The Governor Office Building is a facility that meets accessibility standards required by the Americans With Disabilities Act. If a person requires additional accommodations to participate in the presentation, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or dial 711 for Relay Missouri prior to the hearing.

Under the proposed agreement, annual electric revenues would increase by approximately \$14.5 million for customers of Aquila Networks-MPS and by approximately \$3.25 million for Aquila Networks-L&P electric customers. Permanent electric rates for residential customers of Aquila Networks-MPS would increase by approximately 4.67% under the agreement and by 3.68% for Aquila Networks-L&P residential electric customers. The agreement also proposes a 13 month rate moratorium.

In addition to the permanent change in electric rates, the agreement also calls for a two year interim energy charge to be placed on customer bills. This charge generally reflects Aquila's fuel and purchased power costs. This charge is interim and subject to refund with interest based upon Aquila's prudently incurred fuel and purchased power costs over the two year period. A customer's interim energy charge will vary by month based upon electric usage.

Under the agreement, annual steam revenues would increase by approximately \$1.3 million. Permanent steam rates would increase by approximately 18.77% under the agreement.

When Aquila filed its electric and steam rate cases with the Public Service Commission on July 3, 2003, Aquila sought to increase annual electric revenues by approximately \$65 million in its Aquila Networks-MPS system and by approximately \$14.6 million in its Aquila Networks-L&P system. Aquila was also seeking to increase steam revenues by approximately \$1.34 million.

Aquila Networks-MPS serves approximately 220,000 electric customers in the former Missouri Public Service service area. Aquila Networks-L&P serves approximately 64,000 electric customers in the former St. Joseph Light & Power service area. Aquila serves six commercial steam customers in the St. Joseph, Missouri area.

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